



recommendations, will comply with Commission statutes and regulations; (d) the services provided by the Company will meet the service standards required by the Commission; (e) the provision of services by the Company will not adversely impact the availability of affordable telecommunications services; and (f) to the extent it is required to do so by the Commission, the Company will participate in the support of universally available telephone service at affordable rates;

WHEREFORE, in the spirit of compromise, the Parties hereby stipulate and agree to the following terms and conditions:

1) The Parties stipulate that the Company's Application and exhibits to the Application are incorporated into this Stipulation and made a part hereof;

2) The Parties agree to stipulate into the record before the Commission this Stipulation. The Parties also agree to stipulate to the pre-filed testimony of the Company's witness Patricia T. Morrison without cross-examination by ORS;

3) The Company requested protective treatment of the financial data filed as Exhibit E, and in May 24, 2010 Directive Re: Motion for Protective Treatment, protective treatment was granted;

4) The Company has requested a waiver of 26 S.C. Code Ann. Regs. 103-610 concerning the location of books and records. However, S.C. Code Ann. §58-9-380 (Supp. 2009) provides that:

Each telephone utility shall have an office in one of the counties of this State in which its property or some part thereof is located and shall keep in such office all such books, accounts, papers and records as shall reasonably be required by the Office of Regulatory Staff. No books, accounts, papers or records required by the ORS to be kept within the State shall be removed at any time from the State except upon such conditions as may be prescribed by the Office of Regulatory Staff.

ORS is agreeable to allowing the Company to maintain its books and records outside of the State of South Carolina in exchange for the Company agreeing to provide access to its books and records. ORS is agreeable to the Company maintaining its books and records at its principal offices in the State of Florida, and the Company agrees to notify the ORS of any change in the location of the principal office or in the location where the books and records are maintained. This provision of the Stipulation shall not be construed as a waiver by ORS of S.C. Code Ann. § 58-4-55 (Supp. 2009) or § 58-9-1070 (Supp. 2009). ORS expressly reserves its rights to require the production of books, records and other information located within or outside of the State of South Carolina in order to carry out its duties and compliance with any state or federal regulation;

5) Tower Cloud agrees that it will not serve any end-users. In the event that the Company anticipates offering service to end-users in the future, the Company agrees to file a separate request for such, including updated financial data, with the Commission and ORS prior to offering;

6) The Company agrees to file necessary financial information with the Commission and ORS for universal service fund reporting, dual party relay service fund reporting, interim LEC fund reporting, annual reporting, gross receipts reporting, and/or any other reporting which may now or in the future be applicable to telecommunications providers such as Tower Cloud. The Parties agree that such reports shall be filed pursuant to ORS's instructions and monies shall be remitted in accordance with the directions of the ORS and the Commission requirements;

7) In the event that the Company intends to offer prepaid calling card services in the future, the Company agrees that it shall obtain Commission approval and post a surety bond in the amount of \$5,000 as required by the Commission prior to offering;

8) In the event that the Company intends to expand its authority and offer prepaid local exchange service in the future, the Company agrees that it shall obtain Commission approval and comply with Regulation 103-697 in that they will obtain a bond, irrevocable letter of credit, or certificate of deposit per the Commission's request prior to offering;

9) The Company agrees to maintain its books and records associated with its South Carolina operations in a manner that would permit ORS to examine any of Tower Cloud's reports filed with the Commission and provided to ORS;

10) The Company agrees to comply with South Carolina Code Ann. § 58-9-300 entitled "Abandonment of Service";

11) The Company agrees to file a final revised tariff with both the ORS and the Commission within thirty days of the Commission Order granting certification, and the revised tariff shall be in accordance with ORS's recommendations.

12) The Company agrees to comply with all rules and regulations of the Commission unless the Commission has expressly waived such rule or regulation;

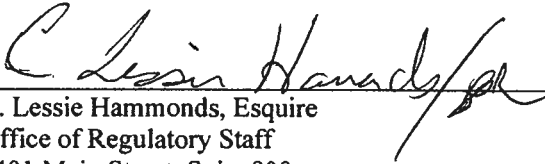
13) The Parties represent that the terms of this Stipulation are based upon full and accurate information known as of the date this Stipulation is executed. If, after execution, either Party is made aware of information that conflicts, nullifies, or is otherwise materially different than that information upon which this Stipulation is based, either Party may withdraw from the Stipulation with written notice to the other Party;

14) The Parties agree that signing this Stipulation will not constrain, inhibit, impair or prejudice their arguments or positions held in other collateral proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings. If the Commission declines to approve the Stipulation in its entirety, then any Party desiring to do so may withdraw from the

Stipulation in its entirety without penalty or obligation.

WE AGREE:

**Representing the Office of Regulatory Staff**

  
C. Lessie Hammonds, Esquire

Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201  
Telephone: (803) 737-0800  
Fax: (803) 737-0895  
Email: [lhammon@regstaff.sc.gov](mailto:lhammon@regstaff.sc.gov)

8/6/10  
Date

WE AGREE:

**Representing Tower Cloud, Inc.**

  
Marsha A. Ward, Esquire

Sutherland Asbill & Brennan, LLP  
999 Peachtree St., NE  
Atlanta, GA 30309  
Telephone: (404)-853-8000  
Fax: (404)-853-8806  
Email: [marsha.ward@sutherland.com](mailto:marsha.ward@sutherland.com)

8/6/2010  
Date

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF SOUTH CAROLINA**  
**DOCKET NO. 2010-172-C**

IN RE:    Application of Tower Cloud, Incorporated for         )  
                a Certificate of Public Convenience and            )  
                Necessity to Provide Resold and Facilities-      )  
                Based Interexchange Telecommunications         )  
                Services in the State of South Carolina and       )  
                for Alternative Regulation                            )  
                                                                                  )

**CERTIFICATE OF  
SERVICE**

This is to certify that I, Chrystal L. Morgan, have this date served one (1) copy of the **STIPULATION** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

James R. McGibbon, Esquire  
Marsha A. Ward, Esquire  
Tower Cloud, Incorporated  
Sutherland Asbill & Brennan, LLP  
999 Peachtree St., NE  
Atlanta, GA, 30309

Chrystal L. Morgan  
Chrystal L. Morgan

August 6, 2010  
Columbia, South Carolina